

NFU MUTUAL GENDER PAY REPORT 2022



We are committed to reducing our Gender Pay Gap and ensuring we have a balanced workforce. This is part of our Strategic Objective to be a Great Place to Work.



NFU Mutual
INSURANCE | PENSIONS | INVESTMENTS

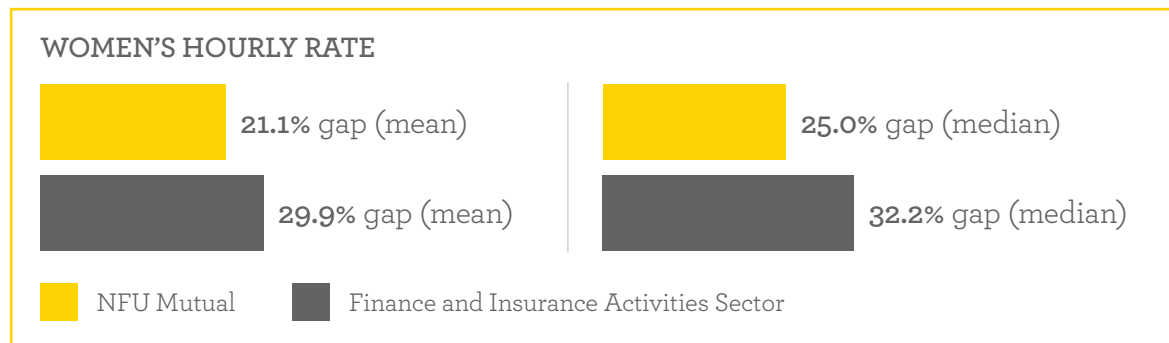
Since 2018, all UK companies with over 250 employees have been required to produce an annual report on their Gender Pay Gap for the period 6th April to the 5th April of the following year.

WHAT IS THE MEASUREMENT OF GENDER PAY?

Gender Pay measures the difference between the average pay of all men and women in a company. It is important to understand that Gender Pay is not the same as Equal Pay. Equal Pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. The Gender Pay Gap shows the difference in average pay between all men and women in a workplace.

OUR 2022 GENDER PAY RESULTS

NFU Mutual's Gender Pay Gap results, for the year ending 5th April 2021, compare positively with the data published for the Finance and Insurance Activities Sector by the Office of National Statistics (ONS) in 2021, as shown below:¹



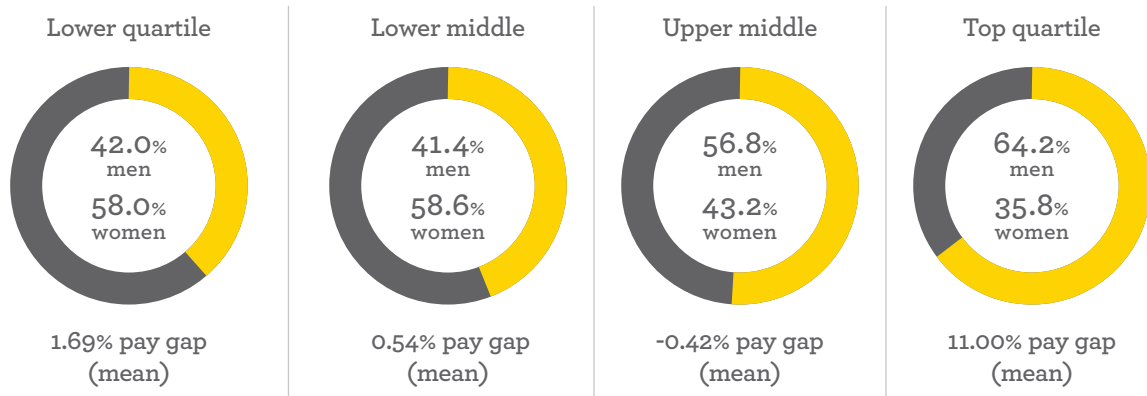
Overall, there has been an improvement in the NFU Mutual 2022 results since the 2021 Gender Pay Gap report, compared to the Finance and Insurance Activities Sector published results. (further details of our 2021 report can be found at: nfumutual.co.uk/about-us/gender-pay-gap).

Much of NFU Mutual's Gender Pay Gap can be attributed to the structure of the workforce as there are more male employees working in more senior roles, and therefore there are more highly paid men within the Company. The specific activities to which we have committed to as part of our Women in Finance programme will support the progression of more women into senior roles. The outcomes of these initiatives will, however, take time to work their way through the organisation in a culture which enables all employees to develop to their full potential through equal access to a range of career development initiatives.



PAY QUANTILES

The pay quartiles represent how many men and women are in each quarter of our payroll.



¹ <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables>

OUR BONUS RECEIVER RESULTS

These numbers show how many men and women at NFU Mutual were paid a bonus during the year ended 5th April 2021, expressed as a percentage of men and women in the workforce at 5th April 2021:



All NFU Mutual employees are eligible for a bonus payment under either the Group Bonus Scheme, or a role specific scheme (new joiners between December 2020 and April 2021 would not have been eligible to receive bonus in April 2021 in accordance with the scheme rules).

OUR BONUS PAY GAP RESULTS

The Bonus Pay Gap calculation is based on any bonuses paid during the 12 months ended 5th April 2021.

There is a **43.8%** bonus pay gap (mean) and a **55.4%** bonus pay gap (median).

The Bonus Pay Gap is larger than the Gender Pay Gap, because 25% of female employees are employed on a part-time basis, compared with only 4% of male employees. Bonus payments at NFU Mutual are calculated as a percentage of total annual pay. Therefore, where an employee works part-time, their bonus will be based on their part-time annual salary, resulting in a lower payment than those working full-time. As we have more women working part-time than men, there is a Bonus Pay Gap even though the basis for awarding bonus is identical.

Unlike Gender Pay Gap information the ONS does not publish bonus pay gap information for General Industry or the Finance and Insurance Activities Sector.

WORKING IN NFU MUTUAL AND ACTIVITIES UNDERTAKEN SINCE THE 2021 GENDER PAY GAP REPORT

NFU Mutual has an inclusive culture that recognises and supports individual differences, and the Company strives to enable all employees to develop to their full potential through equal access to a range of career development initiatives.

We use a range of assessment tools to ensure our approach to Recruitment and Selection is fair, consistent, professional, objective and based entirely on merit, including verbal and numerical aptitude testing and independent leadership assessments.

NFU Mutual formally signed up to HM Treasury's Women in Finance (WIF) Charter in 2018. The Charter commits firms to supporting the progression of women into senior roles in the Financial Services sector by focusing on the executive pipeline and mid-tier management levels.

As part of our Women in Finance programme, we have undertaken the following activities over the last 12 months:

- Unconscious Bias training for all recruiting managers – as of this year a total of 475 managers have completed the training.
- Coaching and re-familiarisation training for employees returning from career breaks. We provide career management workshops and career coaching for all those returning from a long break.
- Extending our mentoring programme to support career development – each of our Senior Managers is engaged in mentoring activity where they each mentor at least two talented mentees, who have been identified as having potential to progress to senior levels. The programme includes equal numbers of our talented female and male managers.
- Gender balanced candidate lists for all management vacancies – the candidate short list gender balance has moved from 66% male, 34% female in 2020, to 63% male and 37% female in 2021. This is an overall improvement of 10% since our reporting began in 2018.
- Diversity Leadership Objective – for the Executive Team against which individual performance is reviewed as part of the annual pay review process.
- Director diversity objectives – each divisional Director has an objective to deliver our commitment to equal opportunities, including NFU Mutual's commitment to the Women in Finance Charter in line with our Guiding Principles and strategic aims.
- Equal access to development programmes; achieving a more balanced male/female split of future management successors and maintaining and gender balance in our Graduate Trainee Scheme, at present including those who joined in September 2021, there are currently 60 males and 61 females who are a part of this scheme.
- Quarterly reporting – internally we report quarterly to each Divisional Director about the number of women in senior positions to enable us to monitor progress towards achieving our target.

Read about why NFU Mutual is a great place to work here: nfumutual.co.uk/careers



I confirm that our data has been calculated according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Trisha Jones, HR Director, NFU Mutual



NFU Mutual

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